



Bryce Yokomizo  
Director

June 23, 2003

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**APPROVAL OF RECOMMENDATIONS RESULTING FROM THE BOARD-DIRECTED  
CalWORKs FUNDING RECOMMENDATIONS PROCESS  
(ALL DISTRICTS) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Adopt the consensus recommendations of the Stakeholders in the amount of \$44.5 million (99% of the projected available funding), as set forth in Attachment A.
2. Determine how to allocate the remaining \$500,000 (1% of the projected available funding) among the divergent recommendations of the Stakeholders, as set forth in Attachment B.
3. Approve the consensus contingency recommendation of the stakeholders to allocate \$4.5 million for the Youth Jobs program for the period July through September 2004, subject to available funding in Fiscal Year (FY) 2004-05.
4. Delegate authority to the Director of the Department of Public Social Services (DPSS) to negotiate, prepare, and execute amendments and/or documents necessary to extend the contractual agreements for the contracts specifically identified in Attachment C for the period July 1, 2003 through June 30, 2004. Approval of County Counsel and the Chief Administrative Office (CAO) will be obtained prior to executing such contracts and extension amendments, and the Director will notify the CAO in writing within ten (10) business days after execution.
5. Delegate authority to the Director of DPSS to negotiate, prepare and execute a sole source contract with the Los Angeles County Office of Education (LACOE), as identified on Attachment C, effective one (1) day after DPSS Director approval through June 30, 2004, to provide CalWORKs Coordination Services for Adult Schools and Regional Occupational Centers and Programs (ROC/Ps) outside the Los Angeles Unified School District (LAUSD). The total cost of the contract with LACOE is \$800,000, while the corresponding contract with LAUSD will be for \$1.2 million.

6. Authorize any funds allocated by your Board on March 4, 2003 for the period July through September 2003 to be utilized through June 30, 2004.
7. Instruct the Director of DPSS to reconvene the Stakeholders by June 2004 to develop recommendations to your Board regarding the utilization of any Performance Incentives available for FY 2004-05, beyond the \$4.5 million for Youth Jobs, provided that such recommendations shall be limited to those programs and services that are identified on Attachments A and B.
8. Authorize the CAO to execute changes in FY 2003-04 departmental budgets in accordance with your Board's action on these Recommendations.

#### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On June 26, 2002, your Board acted on CalWORKs and LTFSS funding recommendations, which had been developed in accordance with your Board's instructions. In addition to acting on these funding recommendations, your Board instructed the Director of Public Social Services to reconvene representatives (hereunder referred to as "the Stakeholders") of the CAO, DPSS, the New Directions Task Force, the Public Social Services Commission and the Community Planning Group in January 2003 to report back to your Board with any recommended modifications to the utilization of the \$168.7 million allocated by your Board on June 26, 2002.

On March 4, 2003, your Board allocated \$15.7 million in Performance Incentives which were projected to be unspent as of the end of this fiscal year to fund recommendations of the Stakeholders. Specifically, your Board allocated \$1.4 million to be used in FY 2002-03 and \$14.3 million for FY 2003-04. In addition, your Board instructed the Director of DPSS to reconvene the Stakeholders by July 2003 to develop recommendations to your Board regarding the utilization of any additional Performance Incentives which remain available to the County in FY 2003-04.

On April 29, 2003, your Board directed DPSS, the Probation Department, the CAO and the Auditor-Controller to utilize one-time Performance Incentive funds which would otherwise be unspent as of June 30, 2003 to pay for juvenile probation services in FY 2002-03, and to treat the resulting NCC savings as if they were Performance Incentives dollars in FY 2003-04. Your Board's action of April 29 ensured that these funds will not revert to the State, but will instead remain available to the County.

Based on updated expenditure projections and the allocation by the State of substantial additional current-year Performance Incentives and Single Allocation funds in May 2003, an additional \$45 million in unspent Performance Incentives funds are projected to be available for services in FY 2003-04, beyond the \$14.3 million already allocated.

This Board letter transmits recommendations from the Stakeholders who met on three occasions from June 5 through 10, 2003. In accordance with your Board's March 4, 2003 instructions, the Stakeholders limited their discussions to:

- 1) The After-School Enrichment Program;
- 2) Youth Jobs;
- 3) Services to Time-Limited Adults;
- 4) Homelessness Prevention Services; and
- 5) Programs/Services that could legally be funded with the CalWORKs Single Allocation.

The Stakeholders reached consensus regarding the recommended utilization of \$44.5 million, which represents 99% of the \$45 million projected to be available. These consensus recommendations are addressed in Recommendation 1 and set forth in Attachment A.

The Stakeholders have divergent recommendations regarding the recommended utilization of the remaining \$500,000. The divergent recommendations are addressed in Recommendation 2 and set forth in Attachment B.

Your Board has identified maintenance of the Youth Jobs program as a major priority and approved \$4.5 million for the summer of 2003 on March 4, 2003. The summer focus of the Youth Jobs program requires a funding commitment before June 2004, if Youth Jobs is to continue to function during the summer of 2004. In this context, the Stakeholders recommend the approval of \$4.5 million for Youth Jobs for the summer of 2004, contingent upon the availability in FY 2004-05 of Performance Incentives or NCC resulting from utilizing Performance Incentives to fund juvenile probation services in FY 2002-03. If and when the availability of this funding is confirmed, DPSS and the CAO will notify the Director of Community and Senior Services, the lead agency for Youth Jobs. This recommendation is in addition to the \$450,000 recommended for Youth Jobs in FY 2003-04, as set forth on Attachment A, for preparatory costs for the summer 2004 program.

I have independently reviewed the consensus recommendations of the stakeholders set forth above and concur with them.

Implementation of several of the consensus funding recommendations addressed in Recommendation 1 require the amendment of existing contracts or the execution of a renewal contract. Recommendation 4 seeks delegated authority for the Director of DPSS to execute renewal contracts or amend existing contracts, as set forth in Attachment C. Recommendation 5 seeks delegated authority for the Director of DPSS to execute a new sole source contract with LACOE in order to provide CalWORKs Coordination Services for Adult Schools and ROC/Ps outside the LAUSD.

On March 4, 2003, your Board allocated \$14.3 million to be utilized from July through September, 2003. Recommendation 6 seeks authority for these funds to be utilized through June 30, 2004 for the purposes approved by your Board on March 4, 2003. This longer period will enable the funds to be combined seamlessly with the \$45 million addressed in Recommendations 1 and 2. There is no fiscal or other obstacle to extending the period for the utilization of these funds through June 30, 2004.

Some Performance Incentives and/or NCC from the utilization of Performance Incentives for juvenile probation services in FY 2002-03 may be available to the County for services in FY 2004-05. In keeping with your Board's prior instructions that the five stakeholder groups develop recommendations to your Board regarding the utilization of CalWORKs Performance Incentives, Recommendation 7 proposes that your Board instruct the Director of DPSS to reconvene the stakeholders by June 2004 to develop recommendations to your Board for FY 2004-05.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal 5: Improve the well-being of children and families in Los Angeles County as measured by achievements in the five outcome areas adopted by the Board: good health; economic well-being; safety and survival; social and emotional well-being; and education/workforce readiness.

### **FISCAL IMPACT/FINANCING**

These recommendations will be funded with an estimated \$45 million in preserved NCC resulting from utilizing Performance Incentives instead of NCC in FY 2002-03 to fund juvenile probation services, pursuant to your Board's action on April 29, 2003. Since this NCC would have otherwise been spent for juvenile probation services during the current year, there is no overall NCC impact due to these recommendations.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Performance Incentives funding may be used in any manner authorized by federal law: 1) in any manner reasonably calculated to meet one of the four (4) purposes of the Federal TANF program; or 2) to continue providing services and benefits that the state was authorized to provide under its former Title IV-A or IV-F State plans, which covered Aid to Families with Dependent Children (AFDC), Emergency Assistance (EA) and Job Opportunities and Basic Skills Training. The four (4) purposes of the federal TANF Program are to:

1. Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;
2. End the dependence of needy parents on government benefits by promoting job preparation, work and marriage;
3. Prevent and reduce the incidence of out-of-wedlock pregnancies; and
4. Encourage the formation and maintenance of two parent families.

All funding recommendations in this letter involve services which are reasonably calculated to accomplish a TANF purpose.

The recommendations are made subject to applicable laws, regulations and Board actions in effect and applicable to the projects, programs, and/or line items identified in the recommendations. The County of Los Angeles through DPSS has the legal authority pursuant to State law to administer the CalWORKs program in the county. The CAO has reviewed and approved this letter as to form. County Counsel has reviewed it.

### **CONTRACTING PROCESS**

The Director of DPSS will execute contracts and contract amendments in accordance with the delegated authority requested in Recommendations 4 and 5 and detailed in Attachment C.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

To the extent that implementation of these recommendations increases the number of CalWORKs families who attain long-term self-sufficiency, they will reduce the current and future demand for certain public services.

Respectfully submitted,

A handwritten signature in cursive script, reading "Bryce Yokomizo", followed by a small circular mark.

Bryce Yokomizo, Director  
Department of Public Social Services

BY:pa

Attachments

c: Chief Administrative Officer  
County Counsel  
Commission for Public Social Services  
Community Planning Group  
New Directions Task Force

## CONSENSUS FUNDING RECOMMENDATIONS FOR FY 2003-04

Program/Service	Consensus Recommendation
After-School Enrichment Program (see Comment 1)	\$13,062,000
CalWORKs Adult School/ROCP Coordination Services (see Note 1)	2,000,000
CalWORKs Community College Coordination Services	2,800,000
CalWORKs Eligibility Workers	11,000,000
Child Care Training Institute	550,000
County Apprenticeship Program (LTFSS #4) (see Note 2)	600,000
Domestic Violence Services	2,300,000
Homelessness Prevention Services (LTFSS #14 & #15)	3,000,000
Housing Relocation Program (LTFSS #6)	200,000
Limited-English Proficiency (LEP) Education & Training (see Note 3)	2,038,000
Services to Time-Limited Adults (see Note 4 and Comment 2)	2,500,000
Transitional Subsidized Employment (LTFSS #3)	2,800,000
Youth Jobs (LTFSS #23) (see Note 5)	450,000
Wage-Based Community Service (see Note 6)	0
Careers in Child Care (see Note 7)	1,200,000
<b>Total Consensus Recommendations</b>	<b>\$44,500,000</b>

### **NOTES OF EXPLANATION**

**Note 1:** Of the \$2 million in recommended funding, DPSS will contract with LAUSD for \$1.2 million and with LACOE for \$800,000. LACOE will then sub-contract with interested adult schools and regional occupational centers/programs other than LAUSD. This division of the recommended funding is consistent with the allocation of this funding by the State in FY 2001-02, which is the last year that this funding was provided directly by the State to adult schools and regional occupational centers and programs.

**Note 2:** The recommended level of funding will cover the costs of both the grounds maintenance helper and clerical worker components of this program.

**Note 3:** By January 2004, the Director of DPSS will submit recommendations to your Board regarding the most effective manner to utilize this funding for education and training for limited English-proficient CalWORKs participants. In October and November 2003, DPSS will convene representatives of the Community Planning Group, community colleges, adult schools, and Regional Occupational Centers and Programs to develop these recommendations, based on the outcome of the current LEP small-scale contracts, HACLA LEP contract, and other relevant information.

**Note 4:** Of this funding, \$300,000 will be used for community outreach by community-based organizations to participants who have reached, or are within 12 months of, their CalWORKs 60-month time limit. The Department of Mental Health will incorporate this funding into a number of current CalWORKs mental health contracts that already include mental health outreach services. The participating community-based organizations, which may include subcontractors to current CalWORKs Mental Health contractors, will have the capacity and expertise to conduct outreach throughout the County, and in the applicable languages for the target service population.

**Note 5:** This additional funding is recommended to cover the preparatory costs of the Youth Jobs program for the summer of 2004, in conjunction with the consensus contingency recommendation (Recommendation #2) to allocate \$4.5 million for Youth Jobs for July-September 2004, subject to the availability of funding.

**Note 6:** Though no additional funding is recommended for this program, the funding already allocated for this program for FY 2003-04 will be sufficient to implement and sustain this program countywide, through June 30, 2004.

**Note 7:** This amount represents the consensus recommendation. Several groups have recommended an amount above this consensus amount. This additional amount recommended by some but not all of the stakeholder groups is shown as part of the divergent recommendations in Attachment B.

#### **COMMENTS FROM INDIVIDUAL STAKEHOLDER GROUPS**

##### **Comment 1: Community Planning Group (CPG) comment on the After-School Enrichment Program allocation**

While the CPG agreed with other stakeholder groups to allocate full funding for this program, the Board's decision to list this program as a number one priority nevertheless troubles us. We believe all five (5) stakeholder groups could have reached 100% consensus had they not felt compelled by the Board's direction to fully fund after-school programs. While the CPG values the after school programs, a small reduction in this program could have allowed for the full funding for the LEP training at \$2.4 million, instead of reducing it to \$2,038,000 (a 15% cut) and the car repairs program at \$500,000. Funding these out of funds for after-school programs would result in a loss of \$862,000 to after-school programs, a modest 5% cut for the year (total allocation for FY 2003-04 is \$17,062,000). We believe a modest cut is appropriate since it would have allowed the Stakeholders to fund other important programs.

Furthermore, millions of dollars (both from Performance Incentives or Single Allocation) are spent each year (via GAIN) on child care for Welfare-to-Work families, yet only a few million dollars of Performance Incentives monies (and no Single Allocation dollars) are spent on actual skills training for participants. As funds get tighter, the commitment to the After-School Program may well mean those skills training programs are cut or lost all together. This concerns the CPG. On the other hand, funds could be set aside to ensure these skill programs continue for years to come.

**Comment 2: CPG comment on Services to Time-Limited Adults**

All of the Stakeholder groups recommended \$2,500,000 to fund services to time-limited adults. Included in this funding is \$300,000 that has been designated for Outreach and Referral activities.

The Community Planning Group advocated for the inclusion of these special outreach and referral activities for several reasons, including:

- In our on-going communications with CalWORKs participants, we have heard myriad reports indicating a substantial lack of knowledge of the programs and services available to support participants, particularly programs and services designed to assist participants approaching or having reached their time-limits.
- Of those families who are currently or soon will be impacted by time limits and who are not utilizing employment, job-training, education, and other programs and services, the available data indicates a large disproportionate number of these families are Limited-English Proficient (LEP) and among populations that are traditionally difficult to reach—e.g., monolingual Asian groups.

This information led us to conclude that current outreach and referral efforts are insufficient to insure that all CalWORKs participants who are approaching their time limits can access the services and supports available to them. We believe that current efforts must be supplemented by outreach and referral efforts that are culturally appropriate and geographically dispersed.

The Department of Mental Health will administer these funds through existing contracts to insure that these services are implemented as quickly as possible. These services will be delivered by existing community-based mental health contracted agencies and, to the extent legally permissible, subcontracted community-based organizations. All providers must have demonstrated expertise and capacity to deliver these services.



## DIVERGENT FUNDING RECOMMENDATIONS FOR FY 2003-04

Program/Service	CAO	CPG	DPSS	NDTF	PSSC
Careers in Child Care (see Note 1 and Comments 1 and 2)	\$500,000	\$0	\$500,000	\$0	\$500,000
Overcoming Barriers to Vehicle Access (see Comment 3)	\$0	\$500,000	\$0	\$500,000	\$0

### NOTES OF EXPLANATION

**Note 1:** The amount recommended here by 3 of the 5 stakeholder groups is *in addition* to the \$1,200,000 recommended by all of the stakeholder groups for this program (as shown in Attachment A).

### COMMENTS FROM INDIVIDUAL STAKEHOLDER GROUPS

#### **Comment 1: CPG and NDTF Comment on Careers in Child Care**

The CPG and the New Directions Task Force (NDTF) delegates were committed to working towards consensus with this funding recommendation, but we also had several concerns, including:

- DPSS estimates the cost per participant for this two-year program to be \$5500/year;
- Questions about whether this program will ultimately lead to living wage jobs; and
- Instructional services in child care and development would likely continue at the participating community colleges, even in the absence of this additional funding.

These and other questions, as well as limited funds, led us to recommend an amount less than the other three stakeholder groups.

#### **Comment 2: DPSS Comment on Careers in Child Care**

If funding for Careers in Child Care is reduced to \$1.2 million for FY 03/04, some of the ten participating colleges may discontinue their participation, and colleges may not be as successful in recruiting and retaining CalWORKs students due to cuts in the staff responsible for recruitment and retention. Funding of \$ 1.7 million will allow this fully-developed program to continue at all ten colleges with little or no reduction in current services.

**Comment 3: CPG Comment on Overcoming Barriers to Vehicle Access**

Together with the NDTF, we have allocated \$500,000 for this program to assist CalWORKs participants with car repairs. The Public Social Services Commission wanted to fund this program but could not because of limited funds (See Comment 1 in Attachment A).

The CPG believes strongly that the Board should embrace this program as a priority for funding. Numerous studies show higher rates of employment and higher earnings are highly correlated with having access to a working automobile. Given these studies, and the well documented lack of adequate public transportation in Los Angeles, the CPG believes that DPSS should provide funds to participants to fix their cars if doing so will help these participants participate in GAIN or get or keep a job.

We further recommend that DPSS modify the existing program parameters to insure its full utilization. Feedback from many CalWORKs families indicates that the program is currently underutilized because of extreme limitations on how the funds can be used. We strongly recommend that DPSS work with community agencies to address these program design barriers in a timely manner in order to insure full utilization of the funds.

**RECOMMENDED DELEGATED CONTRACT AUTHORITY FOR FISCAL YEAR 2003-04  
TO THE DIRECTOR OF PUBLIC SOCIAL SERVICES**

<b>Program/Service</b>	<b>Contractor(s)</b>
Homelessness Prevention Services (LTFSS #14 & #15)	Los Angeles Homeless Services Authority
After-School Enrichment Program	Los Angeles County Office of Education (LACOE) Los Angeles Unified School District (LAUSD)
CalWORKs Community College Coordination Services	13 Community College Districts
Wage-Based Community Service	South Bay Workforce Investment Board
Transitional Subsidized Employment (LTFSS #3)	South Bay Workforce Investment Board
Careers in Child Care	10 Community Colleges
County Apprenticeship Program (LTFSS #4)	LAUSD
CalWORKs Adult School/Regional Occupational Centers and Programs Coordination Services	LAUSD LACOE
Child Care Training Institute	LACOE